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UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration

1954 Wheat Marketing Quotas
Suggested Radio Script - 1

BIG STAKE IN AUGUST 14 WHEAT VOTE

ANNOUNCER: We've heard a lot about the coming wheat referendum lately and today we've asked _____, chairman of the County Production and Marketing Administration Committee, to tell us where _____ county wheat growers are to vote. And, he tells me he'll fill us in on some other details. Certainly this is an important occasion for all wheat growers, and I know, _____, that your one desire is to get all the information possible to our wheat growers as to what this referendum means to them.

PMA: I'm glad you stressed the importance of this referendum, _____. Indeed it is important. It will determine whether we have a 90-percent-of-parity loan for our 1954 wheat crop or whether the loan will drop to 50 percent of parity.

ANNOUNCER: You mean if wheat growers turn down marketing quotas, wheat price supports will drop.

PMA: That's exactly what it means. Here it is in dollars and cents. Suppose the parity price for wheat remains the same for the 1954 crop as it is now. Wheat parity on June 15 was \$2.42 per bushel. If the referendum carries, 90-percent-of-parity loans will continue. The current loan is at a national average of \$2.21. If the referendum fails, the loan rate would be cut almost in half for the 1954 crop. Of course, I don't know what parity will be a year from now.

ANNOUNCER: And you think that if the loan rate is cut in half, this will affect the market price of wheat.

PMA: I don't think there is any doubt about that.

ANNOUNCER: But we were going to talk about the referendum and where wheat growers can vote.

PMA: That's right, but it's mighty easy to drift into how the program operates and what it means to wheat growers. Now for the voting places in _____ County for the wheat referendum August 14. Here they are: (List county voting places)

ANNOUNCER: You've mentioned it before, but who is eligible to vote?

PMA: Each wheat grower whose wheat acreage is more than 15 acres or whose normal production is 200 bushels or more. The marketing quota program does not affect those with less wheat.

(over)

ANNOUNCER: How many farmers in _____ county are eligible to vote in the wheat referendum?

PMA: Roughly (number of eligible wheat growers). You may recall that we have been busy for the past few weeks getting wheat acreage and production figures from farmers. These figures were used to determine the acreage allotment for each farm, and each farmer is being notified of his allotment.

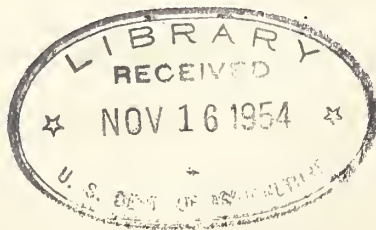
ANNOUNCER: I understand tenants and landlords have a right to vote as well as farm owners who operate their own farms.

PMA: That's right. In general, those who share in the wheat crop can vote. Anyone in doubt about his eligibility to vote can get the answer from the county PMA office at _____. It is located at _____. The telephone number is _____.

ANNOUNCER: Once again, will you tell us what it takes to put the wheat marketing quota program in operation?

PMA: The Secretary must make his proclamation. He did that on July 1. Then at least two-thirds of the eligible wheat growers who vote must approve. The referendum in which growers will have a chance to express themselves will be held August 14.

ANNOUNCER: And if growers turn wheat marketing quotas down, price support loans drop from 90 percent of parity to 50 percent of parity. Thank you, _____ of the _____ County Production and Marketing Administration Committee. Here's hoping we get a big turnout in the wheat referendum.



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MARKETING QUOTAS ON 1954 WHEAT CROP

- ANNOUNCER: On July 1, the Secretary of Agriculture made an announcement that is of interest to every wheat grower. That announcement was a proclamation of marketing quotas for the 1954 crop of wheat. Today we have _____ here to discuss the wheat situation and marketing quotas.
- PMA: I think the first that should be said is that marketing quotas are designed to regulate the marketing of wheat and that marketing quotas cannot be put into effect without the approval of at least two-thirds of the growers voting in a referendum.
- ANNOUNCER: Which means, then, that wheat growers make the final decision. But, before we get too far into the quota discussion, I want to know how the situation developed that led to a marketing quota proclamation.
- PMA: There are several factors. Last year most wheat-producing areas in the world had good crops. We had a big wheat crop here in the United States. Canada produced a record crop. Australia and North Africa had good crops.
- ANNOUNCER: Sounds like everybody had wheat.
- PMA: At least there seems to be enough that world trade in wheat is expected to be about 10 percent less this year than last. Our exports of wheat are not as high as they have been.
- ANNOUNCER: I know we have been planting large acreages of wheat -- continued high production. Seems that I recall last year's crop was over a billion bushels despite a drought in some wheat areas.
- PMA: Last year we produced almost one billion three hundred million bushels. It was our third largest crop of wheat. Incidentally, eight of the last nine wheat crops have been over a billion bushels. This year's crop is also indicated at over a billion.
- ANNOUNCER: Those big crops can pile up a lot of wheat any time our exports fall off.
- PMA: They certainly can. On July 1, 1952 we carried over only about 256 million bushels of old wheat. This year the carryover of old wheat on July 1 was 580 million bushels -- that's about two and one-fourth times what it was a year ago.
- ANNOUNCER: You told me before we came into the studio that there have been only two other years -- in the early forties -- when the wheat carryover was greater. The 580 million bushels is what we start with.
- PMA: Yes. Then we add the estimate of a billion 175 million for this year's crop and we have a total prospective supply of wheat for this year of around a billion 760 million bushels.

(over)

ANNOUNCER: That total supply is above the figure determined by the formula in the marketing quota legislation that requires the Secretary to proclaim marketing quotas.

PMA: That's right. And the Secretary has proclaimed quotas for the wheat crop to be harvested in 1954. The Secretary also has announced that the wheat marketing quota referendum will be held on August 14. On that day every wheat grower affected by quotas is eligible to vote for or against the imposition of quotas for the 1954 wheat crop. The referendum is very important because the outcome will have a direct effect on wheat price support next year.

ANNOUNCER: I have heard a lot about acreage allotments. Where do they fit into the picture?

PMA: Actually the national marketing quota for wheat is the production from the national acreage allotment. So the Secretary determines the acreage of wheat which, at average yields, together with the carryover and imports, will give us 30 percent more than a normal year's domestic consumption and exports.

ANNOUNCER: As I understand it, the 30 percent is a reserve, a protection against a possible short crop or an emergency. Anything more about acreage allotments?

PMA: Yes. The national allotment is apportioned among the States and the State allotment apportioned among the counties. Then the County PMA Committee with the assistance of community committees divides up the county acreage among the wheat farms in the county.

ANNOUNCER: In recent weeks, the county PMA committee has been getting from farmers wheat acreage figures and other information. I suppose that was to determine farm allotments. How is that work getting along?

PMA: It has been a big job, and there is a big push now to have the farm acreage allotments determined and farmers notified before the referendum date August 14. The county committee wants every farmer who is to get a wheat acreage allotment to know what it is before the referendum.

ANNOUNCER: I am sure wheat growers will all want to know what their allotments are before they vote.

PMA: We think it is a part of the information needed by every wheat producer before he makes up his mind to vote for or against quotas.

ANNOUNCER: The wheat acreage allotment shows the farmer what reduction he will have to make in 1954. But back to the referendum. If farmers vote against quotas, the program is off, is that right?

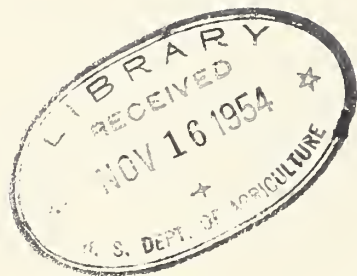
PMA: Yes. At least two-thirds of the votes must be favorable. If more than one-third vote against quotas, there will be no quota program but acreage allotments will still be in effect.

(more)

ANNOUNCER: I believe you told us that, if more than one-third of the wheat growers vote against quotas, price support drops to 50 percent of parity instead of 90 percent of parity. And even that 50 percent is for those who plant within their allotments. As I recall, you also told us before that when quotas are in effect, those who overplant their allotments will be subject to a marketing penalty on the excess wheat.

PM: That's right, a marketing penalty unless the wheat is kept off the market, in accordance with regulations of the Secretary of Agriculture. But there are several points about price support and marketing quotas which probably should be left until later.

ANNOUNCER: Good. We'll be waiting to get the rest of the story when you are with us again. Thank you, _____, for this very important information.



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UNITED STATES DEPARTMENT OF AGRICULTURE
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Suggested Radio Script - 3

LOW PRICE SUPPORT IF WHEAT QUOTAS REJECTED

- ANNOUNCER: Wheat growers in this country have been asking a good many questions which they want answered before they vote on marketing quotas, August 14. We are going to ask some of those questions today, particularly as to what will be the result if the wheat marketing quotas are rejected. And of course we'll get the answers from (full name) of the (State or county) PMA Committee.
- PMA: First let me recall for the benefit of all of us that a farmer, to be eligible to vote in this coming wheat marketing quota referendum, must grow more than 15 acres or have a normal production of 200 bushels or more of wheat.
- ANNOUNCER: They are the ones who will be subject to marketing quotas and who will be the most interested in the results of the referendum.
- PMA: They are the ones who will be affected most immediately. But we're all affected to some degree.
- ANNOUNCER: You say the wheat growers will be affected most immediately.
- PMA: Yes. The amount of price support they could obtain on their wheat will be reduced to 50 percent of parity if wheat marketing quotas are turned down. Those who plant within their acreage allotments would be able to get only a little more than half the present support for their wheat. In other words, support would drop from 90 to 50 percent of parity.
- ANNOUNCER: I'm going to ask you a question about acreage allotments in a moment, but right now what about farmers who overplant their allotments?
- PMA: They cannot depend on any price support.
- ANNOUNCER: That's pretty tough considering what may happen to the market if quotas are turned down. Now how about freshening our memories on acreage allotments?
- PMA: All right. The Secretary of Agriculture is required by the law to proclaim marketing quotas when we have too much wheat. The same law requires him to proclaim acreage allotments, no matter how much wheat we have unless there is an emergency.
- ANNOUNCER: So ordinarily we will have acreage allotments. And if supplies are high enough we also have marketing quotas.
- PMA: That's right, and we'll have both if the referendum carries for the crop now about to be planted. The acreage allotments are designed to produce the wheat we will need, plus a liberal reserve. The production from the farm acreage allotments and the carryover will give us that amount.

(over)

ANNOUNCER: But marketing quotas must be approved by the growers?

PM: Yes, and approved by at least two-thirds of the growers who vote. If more than one-third of the voting wheat farmers reject wheat marketing quotas, then even the farmers who sow within their acreage allotments will get price support of only 50 percent of parity.

ANNOUNCER: And, as you said, those who sow more than their acreage allotments are not assured of any price support.

PM: And if marketing quotas are approved, those whose wheat acreages are within their allotments will be eligible for 90-percent-of-parity loans. Those who overplant are up against a marketing penalty equal to 45 percent of wheat parity as of May 1, 1954 on their excess production. (Of course, those planting 15 acres or less or whose normal wheat acreage is less than 200 bushels are exempt from marketing quota penalties.)

ANNOUNCER: You have made a number of points that are important. Maybe a quick review will help keep them in mind.

PM: Many wheat farmers are wondering what will happen if wheat marketing quotas are turned down. They want to know before they vote in the referendum on wheat marketing quotas. The principal effect will be on the price supports which will be available on wheat. Those whose wheat acreages are within their acreage allotments will be able to get price support at 50 percent of parity. If the vote is favorable, the support for those who plant within their allotments would be 90 percent of parity. Those whose wheat acreage exceeds the allotment would be up against a marketing penalty on their excess wheat.

ANNOUNCER: When is this referendum to be held?

PM: The referendum will be held August 14. The voting places will be announced later. Every eligible farmer will receive a leaflet telling him about the wheat situation and marketing quotas. I hope every farmer who gets one of these will read it carefully.

ANNOUNCER: We'll try to remind farmers again before the referendum to be sure to vote. And I'm sure that they would want me to thank you for the information you have brought us today on the wheat marketing quota referendum.

Friends, we have been talking to (full name) of the (State or county) PMA Committee about what will happen if the wheat marketing quotas are not adopted.

